

Message Text

UNCLASSIFIED

PAGE 01 STATE 187131
ORIGIN COME-00

INFO OCT-01 EA-12 IO-14 ISO-00 AGRE-00 CEA-01 CIAE-00
DODE-00 EB-08 FRB-01 H-02 INR-10 INT-05 L-03
LAB-04 NSAE-00 NSC-05 PA-02 CTME-00 AID-05 SS-15
STR-07 ITC-01 TRSE-00 ICA-20 SP-02 SOE-02 OMB-01
DOE-15 /136 R

DRAFTED BY COM/OCA/JAPAN/DBUSINGER
APPROVED BY EB/OCA/CD:WERAU
COM/OCA/JAPAN/CJOHNSON
COM/OCA/JAPAN/NGLICK
COM/BIEPR/OTP/TNAD/LHOLEC
COM/BIEPR/OTP/TNAD/SCRAVEN
STR/WBARREDA

-----048751 251544Z /45

R 251453Z JUL 78
FM SECSTATE WASHDC
TO AMEMBASSY TOKYO
INFO USMISSION GENEVA

UNCLAS STATE 187131

E.O. 11652: N/A

TAGS: ETRD, MTN, JA

SUBJECT: TRADE FACILITATION COMMITTEE: CASE NO. 5 --
AMERICAN TOBACCO INSTITUTE

REF: TOKYO 11416

1. WE HAVE FORWARDED LETTER TRANSMITTED REFTEL TO
TOBACCO INSTITUTE REPRESENTATIVES (COOK AND HENDERSON)
BUT STILL AWAIT THEIR FORMAL COMMENTS ON ORIGINAL MITI
RESPONSE PRIOR TO PROCEEDING WITH CASE.

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 187131

2. EMBASSY IS CORRECT IN JUDGEMENT THAT NEITHER USG NOR
TOBACCO INSTITUTE REGARDS LATEST RESPONSE AS A SOLUTION
TO CASE, PARTICULARLY SINCE PRICE ADJUSTMENT OF 10 YEN/PER
PACK IN PARTIAL RESPONSE TO APPRECIATION OF YEN HARDLY
REPRESENTS A SIGNIFICANT SHIFT IN JTS PRICING POLICIES.
ON DISTRIBUTION ISSUE, OUR POSITION ON CIGARETTES WILL
PROBABLY BE SIMILAR TO THAT ON CIGARS (SEE SEPTTEL) I.E.,

THAT A GREATER NUMBER OF AUTHORIZED OUTLETS EVEN UNDER CURRENT JTS REGULATIONS WOULD RESULT FROM GREATER CONSUMER DEMAND AS A CONSEQUENCE OF A SIGNIFICANT REDUCTION IN PRICE OF IMPORTED CIGARETTES. THE JTS RESPONSE ON ADVERTISING IS SOMEWHAT LESS CLEAR TO US AT

THIS POINT AND WE WOULD APPRECIATE EMBASSY VIEWS ON THE NATURE OF JTS REGULATIONS CONCERNING ADVERTISING FOR DOMESTIC AND FOREIGN CIGARETTES (E.G., DOES JTS ADVERTISE DOMESTIC BRANDS IN ANY PUBLICATION) AND WHETHER A VALID NONTARIFF BARRIER EXISTS IN THIS AREA.

3. WASHINGTON IS EXAMINING APPROPRIATENESS OF RATIFYING TOBACCO MONOPOLY PRACTICES IN GATT AS INCONSISTENT WITH GATT ARTICLES 3 AND 17. BUT IT WILL TAKE TIME TO BUILD A LEGAL CASE (ESPECIALLY SINCE JACKSON'S LEGAL ANALYSIS OF ARTICLES 17 IN WORLD TRADE AND THE LAW OF GATT, BEING POUCHED, IS NOT HELPFUL), AND WE WOULD MUCH PREFER TO SETTLE MATTER BILATERALLY WITH JAPAN.

4. WE BELIEVE THAT JTS PROBLEM SHOULD BE COVERED BY MTN AND BY TFC SINCE WE HAVE RAISED RESTRICTIVE JTS PRACTICES IN EACH OF THESE NEGOTIATING FORA. AT THIS POINT, IT WOULD NOT APPEAR PRODUCTIVE TO DEBATE WITH THE GOJ ON WHETHER THESE PRACTICES VIOLATE ITS
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 STATE 187131

INTERNATIONAL OBLIGATIONS. VANCE

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE, TOBACCO, COMMITTEES
Control Number: n/a
Copy: SINGLE
Draft Date: 25 jul 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE187131
Document Source: CORE
Document Unique ID: 00
Drafter: OCA/JAPAN/DBUSINGER
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780304-1173
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780722/aaaaastw.tel
Line Count: 95
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 3316e76c-c288-dd11-92da-001cc4696bcc
Office: ORIGIN COME
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 78 TOKYO 11416
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1893266
Secure: OPEN
Status: NATIVE
Subject: TRADE FACILITATION COMMITTEE: CASE NO. 5 -- AMERICAN TOBACCO INSTITUTE
TAGS: ETRD, JA, MTN
To: TOKYO
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/3316e76c-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014